

STATE OF ARKANSAS

DEPARTMENT OF FINANCE AND ADMINISTRATION

CONSOLIDATED INCENTIVE ACT OF 2003 JOBS CREATION INCOME TAX CREDIT PROGRAM

ADVANTAGE ARKANSAS

FORMS AND INSTRUCTIONS

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(Note: These forms are needed for the term of the agreement and may be copied. The business is encouraged to use computer-generated spreadsheets, when convenient, to provide the required information.)

STATE OF ARKANSAS
DEPARTMENT OF FINANCE AND ADMINISTRATION
TAX CREDITS/SPECIAL REFUNDS SECTION

CONSOLIDATED INCENTIVE ACT OF 2003

ADVANTAGE ARKANSAS PROGRAM

GENERAL INSTRUCTIONS – INCOME TAX CREDITS

- 1) Eligible participants must have entered into a financial incentive agreement with the Arkansas Department of Economic Development (ADED) in order to receive income tax credits. To receive these credits, the following forms must be submitted: (Copies are included for your use)

a) EMPLOYEE PAYROLL CERTIFICATION AUDIT REQUEST

This form is used by the approved Advantage Arkansas Program business to request an audit to determine the amount of credit for each tax year. No credit could be possible in the initial year if there are not 26 weeks from the agreement date to the tax year-end date; therefore, an "employee audit" would not be required. All information requested on this form must be provided.

b) NEW FULL TIME PERMANENT EMPLOYEE WORKSHEETS

For convenience, the business is encouraged to use computer-generated spreadsheets that contain the required information.

These worksheets shall substantiate qualified new full time permanent employees and their annual wages. A new full time permanent employee means a position or job that was created pursuant to the signed financial incentive agreement and is filled by one or more employees or contractual employees. It is essential that records be maintained for each new position detailing information on the employee(s) that worked in that position. This includes information such as position control number, date position created, employees' name, social security number, hire date and termination date. *Also, it will be necessary to provide records to show the existing employees prior to the business being approved for the program.*

New hires that replaced existing employees cannot be considered as new employees. For those companies that hire contractual employees, the law specifically states that they must be offered a benefits package comparable to a direct employee of the business seeking incentives.

The worksheet must include only those jobs filled by an employee for an average of at least 30 hours per week for at least 26 consecutive weeks. If more than one employee works in the same position, list them in the order of their respective hire dates.

- 2) The above items should be completed at the end of each tax year in which the business is entitled to receive benefits. This information must be mailed to the following address:

**Department of Finance and Administration
Tax Credits/Special Refunds Section
P.O. Box 1272
Little Rock, AR 72203-1272**

- 3) Upon receipt of the above items, the information will be forwarded to a tax auditor for review. The contact person shown on the audit request form will be notified of the review and arrangements will be made to meet at a mutually convenient time. Note: Failure to submit the required documents in a timely manner or as requested, will cause a delay in receiving the income tax credits.
- 4) This office will issue a Certificate of Income Tax Credit after the amount of credit authorized has been determined. This certificate must be attached to the tax return for the tax year in which the credit is earned.

Should you have any questions regarding these procedures, please contact this office at (501) 682-7106.

**STATE OF ARKANSAS
CONSOLIDATED INCENTIVE ACT OF 2003**

ADVANTAGE ARKANSAS PROGRAM

EMPLOYEE PAYROLL CERTIFICATION AUDIT REQUEST

I, _____, (an officer, partner, or sole proprietor) of

_____, (Business Name) hereby request an

employee payroll certification audit to determine eligibility and amount of the Income Tax

Credit applicable for the tax year ending _____.

For the payroll period _____ - _____, I certify that the number of new full time

permanent employees is _____ and their payroll is _____, as evidenced by the

attached New Full Time Permanent Employee Worksheet(s).

Business Name:

FEIN:

Mailing Address:

Phone #:

Project Location:

ADED Project #:

Contact Person:

Phone #:

Signature/Title:

Date:

This form must be submitted at the end of each tax year. A separate form should be submitted for each tax year being audited. The New Full Time Permanent Employee Worksheet(s) must be completed and submitted with this form before the request is assigned for verification.

Send this form and the required worksheets to:

Department of Finance and Administration
Tax Credits/Special Refunds Section
P. O. Box 1272
Little Rock, AR 72203

NEW FULL TIME PERMANENT EMPLOYEE WORKSHEET

PAYROLL PERIOD - TAX YEAR _____

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